

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

RESTORING AMERICAN FINANCIAL STABILITY ACT OF 2010

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of S. 3217, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 3217) to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end "too big to fail," to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes.

The PRESIDING OFFICER. The majority leader is recognized.

AMENDMENT NO. 3739

Mr. REID. Mr. President, there is a substitute amendment at the desk. I call up that amendment on behalf of Senators DODD and LINCOLN.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. DODD, for himself and Mrs. LINCOLN, proposes an amendment numbered 3739.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under "Text of Amendments.")

AMENDMENT NO. 3737 TO AMENDMENT NO. 3739

(Purpose: To prohibit taxpayers from ever having to bailout the financial sector)

Mr. REID. Mr. President, I now ask the clerk to report the Boxer amendment No. 3737.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mrs. BOXER, proposes an amendment numbered 3737 to amendment No. 3739.

At the end of title II, add the following:

SEC. 212. PROHIBITION ON TAXPAYER FUNDING.

(a) LIQUIDATION REQUIRED.—All financial companies put into receivership under this title shall be liquidated. No taxpayer funds shall be used to prevent the liquidation of any financial company under this title.

(b) RECOVERY OF FUNDS.—All funds expended in the liquidation of a financial company under this title shall be recovered from the disposition of assets of such financial company, or shall be the responsibility of the financial sector, through assessments.

(c) NO LOSSES TO TAXPAYERS.—Taxpayers shall bear no losses from the exercise of any authority under this title.

Mr. REID. Mr. President, the managers of the bill wish to give opening statements on this important legislation. I ask unanimous consent that Senator DODD be recognized to use whatever time he feels appropriate, that Senator SHELBY then be recog-

nized to use whatever time he feels appropriate, that Chairman LINCOLN then be recognized to make a statement, and following that, Senator CHAMBLISS, the ranking member of the Agriculture Committee, and then Senator WARNER, a member of the Banking Committee, wishes to make a statement. I ask that be the order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, we are beginning debate on the floor of the Senate of a matter that has obviously been the subject of great discussion and debate over the last couple years. My remarks will be very brief. I have talked a lot over the last week or so about the bill. I presume I will be spending a lot of time in the coming days. I do not need to spend a lot of time now. My colleague and friend from Alabama, Senator SHELBY, wants to be heard and others want to be heard this afternoon. I will be here to engage them.

I begin by thanking and commending my colleague from Alabama. We have disagreements about this bill. He is a good friend and someone I work with closely, as we will on this bill as we move forward. We want to accommodate Members on all sides to be heard, to offer their amendments, to have a good debate. We would like to accommodate and accept amendments where we can. If we cannot, we will try to lay out why or offer alternative ideas as we move through this debate.

Obviously, it is very important we get this right. Senator SHELBY has said that many times, and I agree with him. It is very important. Literally, language, punctuation marks can have implications. It is that delicate as we work through language. My intention is to get there.

Today we are going to have general debate on the bill; tomorrow possibly some additional debate. We will pick up our first amendments on Tuesday when we get back. I wish to address that point in a minute, if I may.

I wish to begin the debate with a message for those who have seen the acrimony in the Chamber over the past couple weeks and have concluded that the Senate is not up to getting the job done on legislation of this import and this size.

I will be the first to admit that sometimes we become discouraged and disappointed with each other. That is the nature, I suppose, of a legislative body when we have as many different and strongly held views. I, myself, was frustrated with how long it took to bring the bill up on the floor. Others are frustrated by what they see in the bill. All of this can be a rationale for why we express our frustration.

The thing that made it possible to get to this point is the same thing that will make it possible to get to the finish line on this important legislation; that is, the trust we have, that we are each committed to getting the job done.

As Senator SHELBY and I both pointed out last evening, we have worked closely over the past 37 months that I have chaired the Banking Committee. I mentioned we brought 42 measures out of our committee, 37 of which have become the law of the land. While we do not agree on this bill or at least not all of it, we are both confident this legislation can become law as well if we work hard and together and achieve common ground, even if it is not exactly as we would want if we were writing it on our own. I think it is what our colleagues in the country think of us.

Simply put, we have no other choice but to do so. The status quo is unacceptable. We cannot leave the American people vulnerable to the present construct of our financial regulatory system. The American people have paid too high a price for the failure of our system to stop Wall Street greed and recklessness from undermining the stability of our economy.

We heard over and over that we have lost 8.5 million jobs and 7 million homes lost to foreclosure or are in foreclosure. Trillions of dollars—some say \$11 trillion, some say \$13 trillion, some say higher—trillions of dollars of household wealth has been lost in the last 18 months; home values—again, the number everyone agrees on—a 37 percent decline in home values across the Nation. In some States, the numbers are much higher. We have seen a decline in retirement income by some 20 percent as well across the Nation.

All this was not cause by one particular event or set of circumstances. There was a variety of circumstances, the culmination of which and the expansion brought us to the brink of financial collapse and disaster.

I described the aims of our legislation. First, it ends "too big to fail." Senator SHELBY and I have been working on that issue. We have had long discussions agreeing on principles and what needs to be done. My hope is, in the first part of next week—our staffs are going to work over the weekend to take the principles on which we have reached some agreements and then do the delicate job of writing the language that reflects those principles and ideas.

I thank my staff as well as Senator SHELBY's staff for trying to get us to a point where we reach a level of comfort, that we have done what we said we were going to do; that is, to end too big to fail. No longer will there be an implicit understanding that if a major financial institution or even a less-than-major financial institution starts to fail somehow it is going to get propped up by taxpayer dollars. Our colleague from California, BARBARA BOXER—we heard already the language of her amendment which will once again add a voice to this effort to say, when losses occur, too big to fail will never expose the American taxpayers to writing a check to have to underwrite that cost.

I presume there may be others who have ideas on how best to nail this